



# Everest Group Capital Markets IT Services PEAK Matrix® Assessment 2024

Focus on TCS

July 2024



# Introduction

The Capital Markets (CM) industry is currently undergoing significant transformation, driven by the need to enhance operational efficiency and reduce costs. Firms are focusing on streamlining operations through the automation of processes and integration of new technologies, while strategically outsourcing non-core activities such as IT management and back-office functions.

There is a significant shift toward emerging technologies. Artificial Intelligence (AI) and Machine Learning (ML) are widely used for predictive analytics, automated trading, and personalized financial advice, with generative AI enhancing these applications. Blockchain is crucial for improving transaction transparency, reducing fraud, and quickening processing times.

There is a notable move toward sustainable investments, driven by increased investor awareness and demand for transparency. This is leading to a preference for portfolios aligned with Environmental, Social, and Governance (ESG) criteria, encouraging firms to deeply integrate sustainability into their investment strategies.

Regulatory bodies are intensifying their scrutiny, prompting firms to adopt agile adaptation strategies. Investments in Regulatory Technologies (RegTech) are increasing to

manage compliance efficiently across global regulations. Additionally, cybersecurity has become crucial, requiring firms to implement robust measures to protect sensitive data and secure digital transactions.

In the full report, we present an assessment of 27 leading IT service providers featured on the [Capital Markets IT Services PEAK Matrix® Assessment 2024](#). The assessment is based on Everest Group's annual RFI process for calendar year 2024, interactions with leading IT service providers, client reference checks, and an ongoing analysis of the Capital Markets IT services market.

## **This report includes the profiles of the following 27 leading IT services providers featured on the Capital Markets IT Services PEAK Matrix:**

- **Leaders:** Accenture, Capgemini, Cognizant, HCLTech, Infosys, LTIMindtree, TCS, Wipro
- **Major Contenders:** Apexon, Birlasoft, Coforge, DXC Technology, EPAM Systems, Hitachi Digital Services, Kyndryl, Mphasis, Ness Digital Engineering, Nous Infosystems, NSEIT, Softserve, Tech Mahindra, Virtusa, Zensar
- **Aspirants:** Accolite Digital, Exadel, Stefanini Group, Xoriant

## Scope of this report

**Geography:** Global

**Industry:** Market activity and investments of 27 leading IT services providers

**Services:** Capital markets IT services

# Capital Markets IT Services PEAK Matrix® characteristics

## Leaders

Accenture, Capgemini, Cognizant, HCLTech, Infosys, LTIMindtree, TCS, Wipro

- Leaders are strategic partners for their clients across the clients' capital market verticals, co-innovating with third-party platform providers and FinTechs, and have a proven track record of delivering end-to-end solutions across the CM value chain
- They differentiate themselves by having dedicated leadership for CM management, and the long-term vision to tap into next-generation themes such as ESG, generative AI, and hyper-personalization to drive revenue growth in emerging areas
- Leaders also have a strong global presence, broader client portfolio, innovative commercial models, ability to hire and upskill the best talent in the industry, extensive thought leadership publications, and co-innovation initiatives with clients, FinTechs, and platform providers by setting up research and innovation labs

## Major Contenders

Apexon, Birlasoft, Coforge, DXC Technology, EPAM Systems, Hitachi Digital Services, Kyndryl, Mphasis, Ness Digital Engineering, Nous Infosystems, NSEIT, Softserve, Tech Mahindra, Virtusa, Zensar

- Major Contenders have expanded their scope of services from point solutions to enterprise-wide transformations. They have made strategic alliances with platform providers and hyperscalers to co-innovate and develop joint Go-to-Market (GTM) strategies
- Major Contenders have also built proprietary solutions, accelerators, and frameworks around ESG, AI/ML, generative AI, and quantum computing

## Aspirants

Accolite Digital, Exadel, Stefanini Group, Xoriant

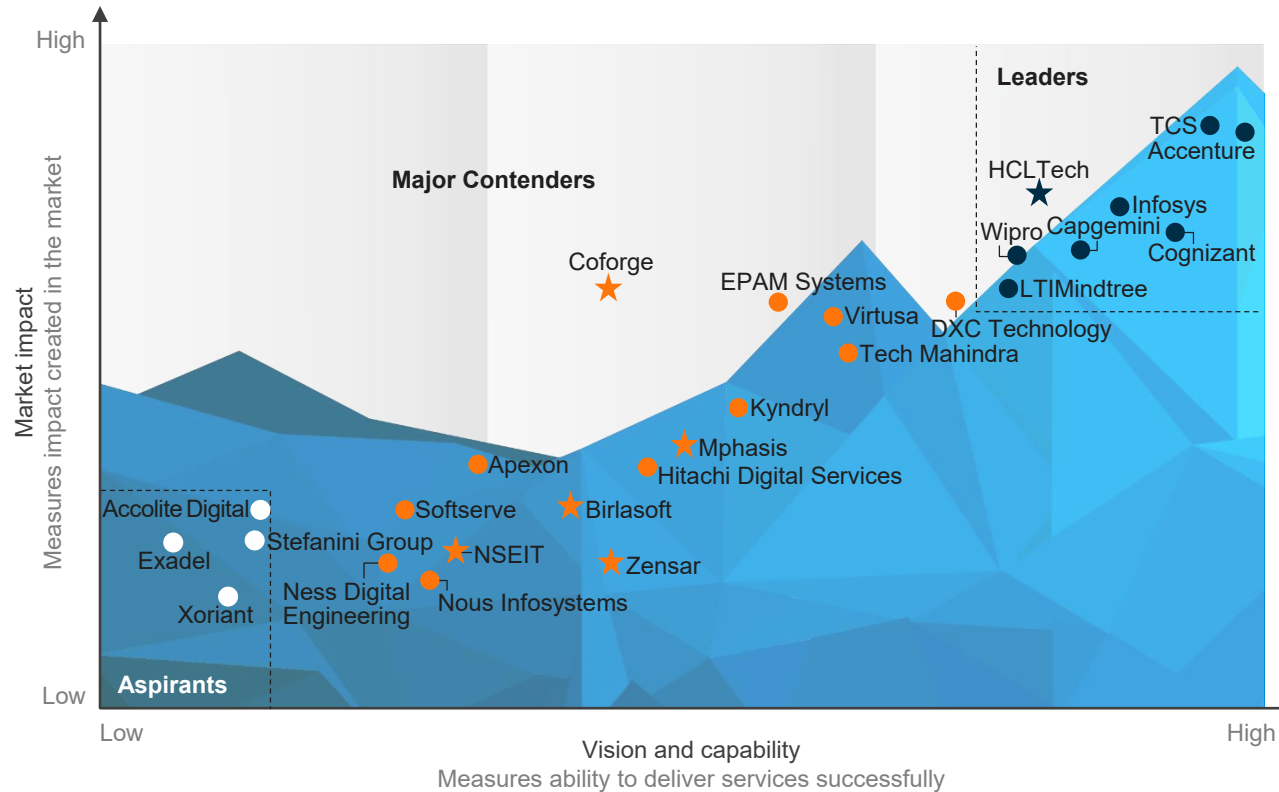
- Aspirants, with their targeted services scope, specific geography focus, and deep-domain focus and/or solutions in specific areas such as onboarding, reporting, digital engineering, and quality assurance provide them the positioning of a specialist in the respective space
- They are investing to develop their client and partnership portfolios to cover a wider range of solutions and services

# Everest Group PEAK Matrix®

Capital Markets IT Services PEAK Matrix® Assessment 2024 | TCS is positioned as a Leader

## Everest Group Capital Markets IT Services PEAK Matrix® Assessment 2024<sup>1</sup>

- Leaders
- Major Contenders
- Aspirants
- ☆ Star Performers



<sup>1</sup> Assessments for Accolite Digital, Coforge, DXC Technology, Exadel and Softserve excludes service provider inputs and are based on Everest Group's proprietary Transaction Intelligence (TI) database, provider public disclosures, and Everest Group's interactions with buyers. For these companies, Everest Group's data for assessment may be less complete. Source: Everest Group (2024)

# TCS profile (page 1 of 5)

## Overview

### Capital markets IT services vision

TCS' capital markets services vision is to facilitate business transformation through technology, enabling companies to realize their goals and create tangible impact. By leveraging its customers' ambitions and optimism, TCS empowers them to enhance their operations, benefiting both their customers and the communities they serve.

### Overall revenue (CY 2023)

<US\$200 million	US\$200-500 million	US\$500 million-US\$1 billion	<b>&gt;US\$1 billion</b>
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### Number of active clients (CY 2023)

<25	25-100	100-150	<b>&gt;150</b>
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### Capital markets IT services revenue mix (CY 2023)

● N/A (0%) ● Low (1-20%) ● Medium (20-40%) ● High (>40%)

#### By geography

- North America
- United Kingdom
- Europe
- Asia Pacific
- Latin America
- Middle East and Africa

#### By IT services segment

- Application services
- Digital services
- Infrastructure services

#### By application services segment

- Application development
- Application maintenance
- Consulting
- System integration<sup>1</sup>
- QA and testing

#### By lines of business

- AWM<sup>2</sup>
- Brokerages
- Custody
- Fund administration
- Investment banking
- Others

#### By buyer size

- Small (annual client revenue <US\$ 5 billion)
- Medium (annual client revenue US\$5-10 billion)
- Large (annual client revenue US\$10-20billion)
- Mega (annual client revenue >US\$20 billion)

<sup>1</sup> System integration includes package implementation  
<sup>2</sup> Asset and Wealth Management.  
 Source: Based on Everest Group's estimations (2024)

# TCS profile (page 2 of 5)

## Offerings

Proprietary IP/solutions/frameworks/accelerators/tools developed internally to deliver the capital markets IT services

Name	Details
Industry-specific solutions	This is a suite of industry-specific solutions to meet current demand themes and its vision of future demands within capital markets. Some of its offerings include US Treasury central clearing, UK Pension dashboard, Direct indexing, hybrid digital advisory, open APIs, and more
TCS data offerings	The core of data analytics and insights services spans the following focus areas: <ul style="list-style-type: none"><li data-bbox="461 586 1238 619">• Data-driven enterprise initiatives led by consulting and strategic assets</li><li data-bbox="461 625 1284 658">• Driving business through analytics led by business transformation solutions</li><li data-bbox="461 664 1518 696">• Data science initiatives led by Advanced Quantz and Analytics (AQuA) solutions and accelerators</li><li data-bbox="461 702 1156 735">• Experimentation and rapid prototyping led by AI/gen AI ML Lab</li></ul>
TCS accelerated cloud migration framework	This is a framework for domain-aware, multi-cloud migration and modernization for customers looking to migrate/modernize their applications onto the cloud (private, public, or hybrid). This includes cloud adoption advisory, MVP/prototyping as well as migration and modernization enabled by pre-built migration patterns, migration tools, cookbooks, best practices, etc.

## TCS profile (page 3 of 5)

### Offerings

Key partnerships/alliances/acquisitions/JVs leveraged to deliver the capital markets IT services

Name	Type of investment (year)	Details of investment
AWS	Partnership	It partnered with AWS to focus on modernizing the technology value chain and ensuring superior business outcomes for every business stakeholder in a global enterprise. TCS is an AWS Premier Consulting Partner, AWS Public Sector Partner, AWS Solution Provider Partner, and AWS Public Sector Solution Provider.
Microsoft Azure	Partnership	It partnered with Microsoft Azure to bring together more than 77,000+ professionals in the Microsoft Business unit to deliver collective service capabilities, global scale, and joint solution development for customers, leading digital transformation across industries.
Google Cloud Platform	Partnership	It partnered with Google to build a robust set of frameworks, tools, and accelerators to transform business journeys. These resources are readily available in Google Garage, a collaborative experimental space fully equipped with Google technologies.
COIN™	Platform	It launched TCS' Co-Innovation Network (COIN™), which brings in innovative ideas from the start-up, research, and academic worlds that can be leveraged to build customized solutions. The COIN network provides start-ups with direct access to TCS' clients, along with introductions to affiliated venture capitalists, angel investors, and corporate venture capital. The program has four components: TCS COIN™ Accelerator, TCS COIN™ Reference architecture, TCS COIN™ Certified start-up partner program, and TCS COIN™ Integration team.

# TCS profile (page 4 of 5)

## Case studies

[NOT EXHAUSTIVE]

### CASE STUDY 1

Enabled mainframe modernization for a leading market infrastructure firm in Europe

#### Business challenge

The client faced challenges with expensive mainframe infrastructure and maintenance costs, risks associated with legacy technologies and skill availability, poor time-to-market, and shared functionalities across business lines (such as clearing, settlement, global custody, banking services, securities financing, and funds) on a common infrastructure, making it difficult to allocate costs.

#### Solution

As part of the engagement, TCS leveraged its partnership with Micro Focus to modernize the platform and development tools while retaining the rich core functionality. This included application migration across core business functionalities, migration of live and historical data, testing, and test data management. TCS also utilized its own tools and reusables throughout the process.

#### Impact

- Achieved a 5X improvement in time-to-market, enabling the delivery of localized services in new markets at a faster pace
- Achieved a 20% reduction in cost per trade, positioning as an innovative, quality, and cost-effective service provider in financial markets
- Successfully migrated 10 years of historical data as mandated by regulators using a fully automated process, ensuring data integrity and compliance
- Achieved a US\$30 million cost reduction through mainframe exit, optimizing infrastructure and operations

### CASE STUDY 2

Created a next-generation wealth management platform for a midsize wealth management firm

#### Business challenge

This client had multiple challenges on the customer, advisor, and internal front. The challenges ranged from a lack of self-service capabilities for clients, collaboration tools for advisors, and longer lead time required to launch any new product in the market from the firm's perspective.

#### Solution

As a part of the engagement, TCS enhanced channels to offer personalized, secure, and frictionless experiences. It rolled out a holistic client view using Azure native services and collaboration tools for advisors. It built a collaboration platform for advisors, enhanced core functions such as portfolio management and reporting, and enabled a digital workplace with seamless operations using the Microsoft Office Suite. TCS also implemented DevOps and drove the firm's vision of achieving zero infrastructure through Azure PaaS.

#### Impact










- Improved CX and collaboration, leading to an increase in advisor earnings by 25%
- Reduced fees from 1-2.5% to 0.5-0.6%
- Reduced spending on RTB activities and infrastructure management by approximately 80%
- Achieved 4X performance and auto scalability on the cloud



# TCS profile (page 5 of 5)

Everest Group assessment – Leader

Measure of capability:  Low  High

Market impact				Vision and capability				
Market adoption	Portfolio mix	Value delivered	Overall	Vision and strategy	Scope of services offered	Innovation and investments	Delivery footprint	Overall
								

### Strengths

- Acquisitions such as PBS, BridgePoint Group, and digital design studios has enabled TCS to expand its digital transformation and user experience service offerings and enter new geographies
- TCS has formed strategic partnerships ranging from hyperscalers, leading technology providers, and FinTechs such as of Orchestrade, Finastra, and Adenza to co-innovate and develop joint GTMs
- Investments in developing IP, tools, and accelerators in areas such as AI/ML, blockchain, cybersecurity, decision fabrics, ESG, and governance frameworks
- Developed a Chief Data Officer (CDO) innovation lab to facilitate active partnerships with clients and co-create solutions focusing on data-driven innovation, leveraging AI and ML technology
- TCS’ Wisdom Next platform leverages AI services orchestration and broker platform, reusable components, and pre-configured models to deliver tailored generative AI solutions
- Actively investing in emerging research topics and developing Proof-of-Concepts (PoCs) in areas such as generative AI (digital assistant for advisors, synthetic data), quantum computing (portfolio optimization, time series forecasting), and trustworthy AI (framework for AI performance and trust management)

### Limitations

- Clients have expressed that TCS needs to improve talent management and upskill the IT consultants with domain-specific nuances
- TCS has a low region-specific advisory and consulting footprint to serve clients that need more onshore and nearshore support
- Clients believe that TCS’ system integration capabilities on large wealth management platforms lags that of peers
- Though TCS has defined capabilities and solutions with focused domain partnerships across capital markets LoBs, the market messaging and strategy is not as prominent as its peers

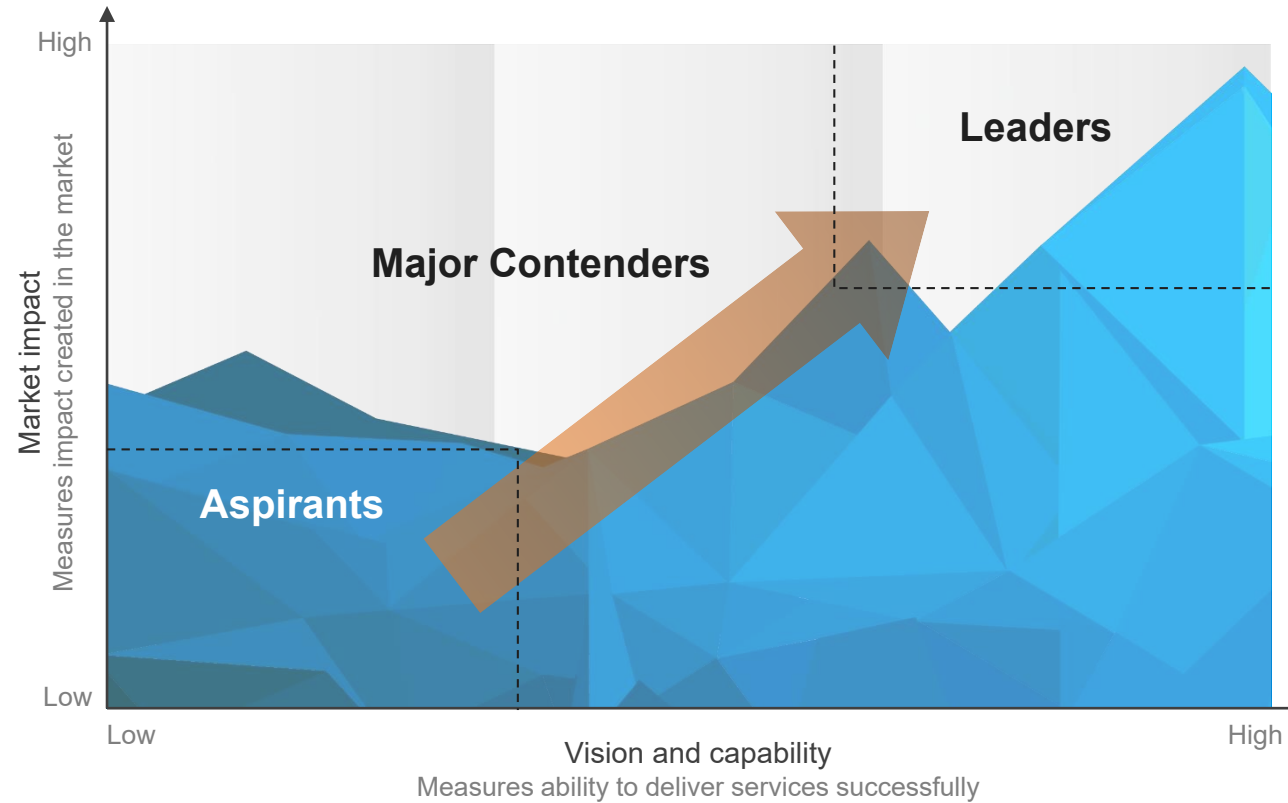
# Appendix

PEAK Matrix® framework

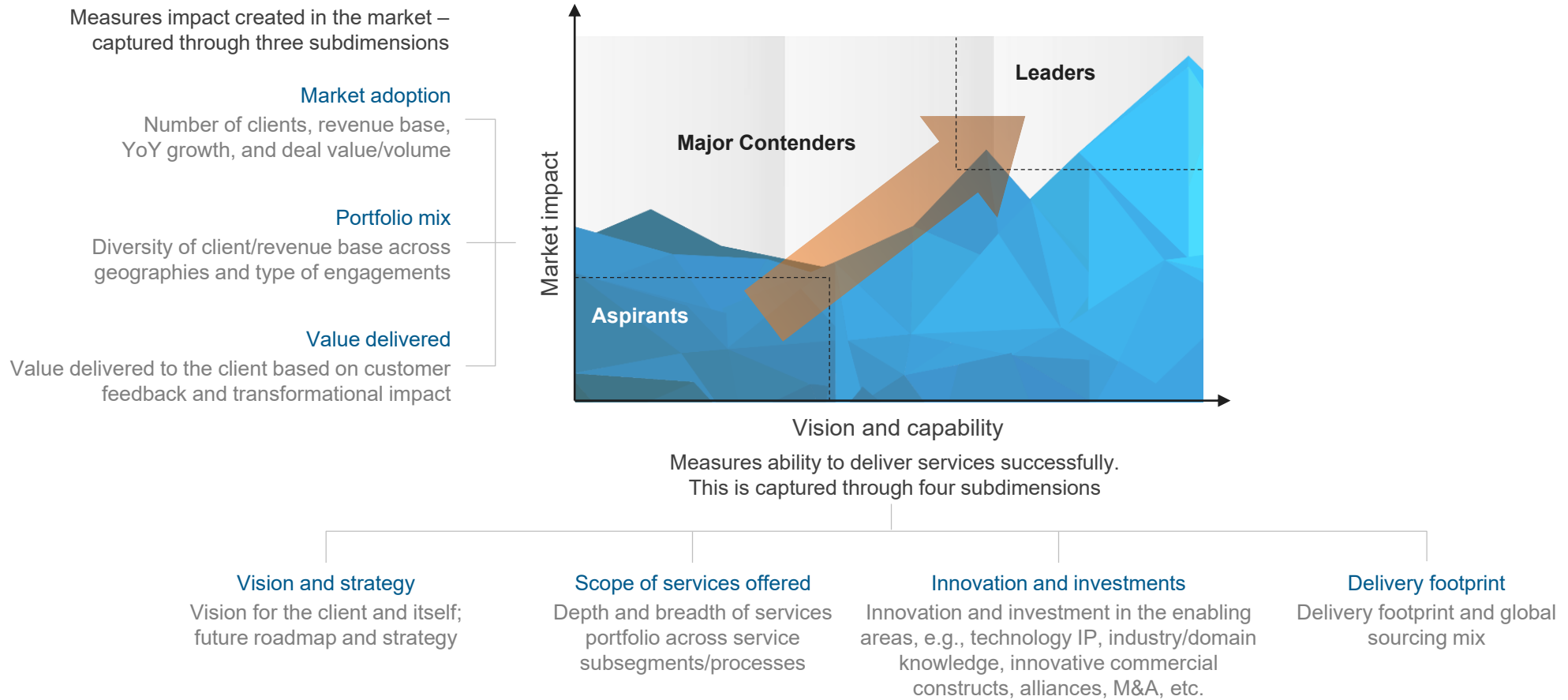
FAQs

# Everest Group PEAK Matrix® is a proprietary framework for assessment of market impact and vision and capability

Everest Group PEAK Matrix



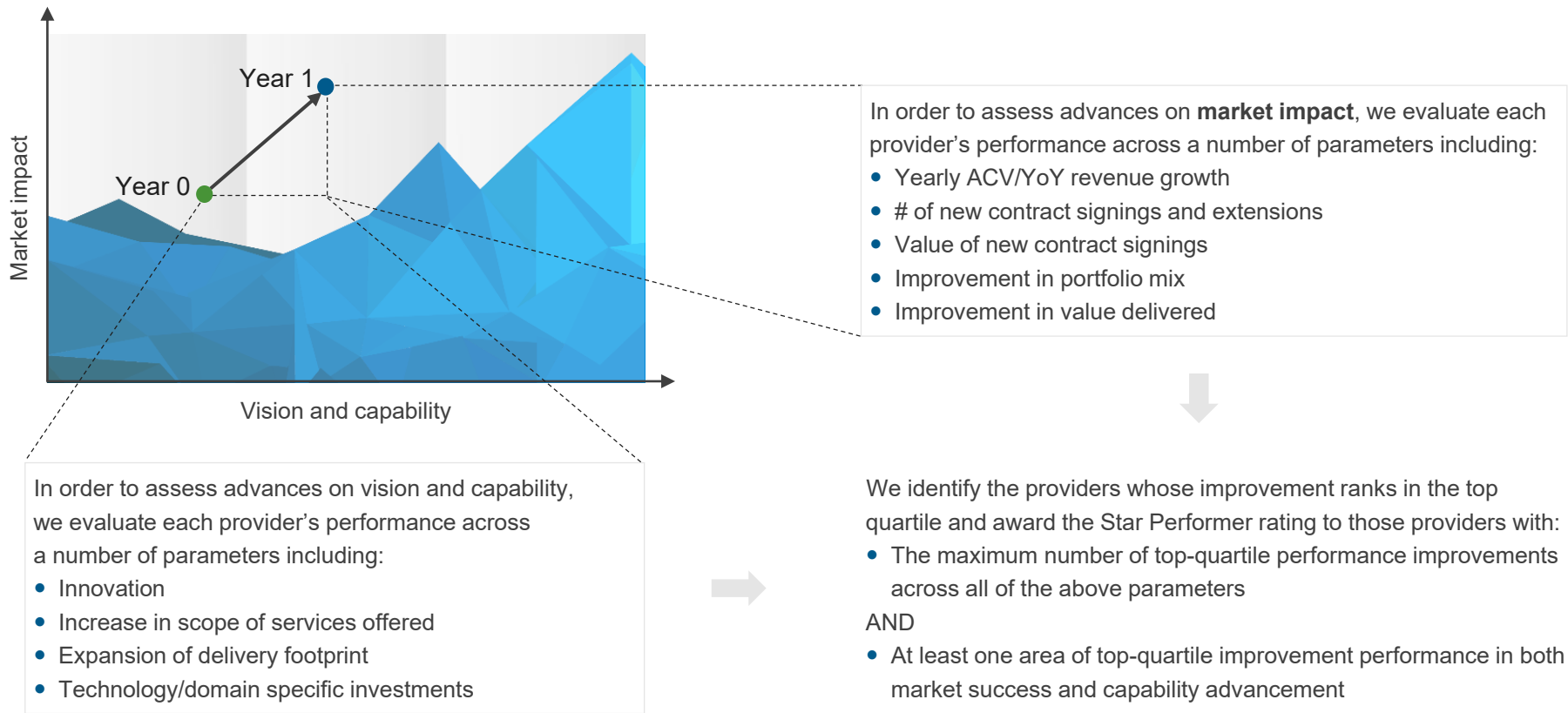
# Services PEAK Matrix® evaluation dimensions



# Everest Group confers the Star Performer title on providers that demonstrate the most improvement over time on the PEAK Matrix®

## Methodology

Everest Group selects Star Performers based on the relative YoY improvement on the PEAK Matrix



The Star Performer title relates to YoY performance for a given provider and does not reflect the overall market leadership position, which is identified as Leader, Major Contender, or Aspirant.

## FAQs

**Q: Does the PEAK Matrix® assessment incorporate any subjective criteria?**

A: Everest Group's PEAK Matrix assessment takes an unbiased and fact-based approach that leverages provider / technology vendor RFIs and Everest Group's proprietary databases containing providers' deals and operational capability information. In addition, we validate/fine-tune these results based on our market experience, buyer interaction, and provider/vendor briefings.

**Q: Is being a Major Contender or Aspirant on the PEAK Matrix, an unfavorable outcome?**

A: No. The PEAK Matrix highlights and positions only the best-in-class providers / technology vendors in a particular space. There are a number of providers from the broader universe that are assessed and do not make it to the PEAK Matrix at all. Therefore, being represented on the PEAK Matrix is itself a favorable recognition.

**Q: What other aspects of the PEAK Matrix assessment are relevant to buyers and providers other than the PEAK Matrix positioning?**

A: A PEAK Matrix positioning is only one aspect of Everest Group's overall assessment. In addition to assigning a Leader, Major Contender, or Aspirant label, Everest Group highlights the distinctive capabilities and unique attributes of all the providers assessed on the PEAK Matrix. The detailed metric-level assessment and associated commentary are helpful for buyers in selecting providers/vendors for their specific requirements. They also help providers/vendors demonstrate their strengths in specific areas.

**Q: What are the incentives for buyers and providers to participate/provide input to PEAK Matrix research?**

A: Enterprise participants receive summary of key findings from the PEAK Matrix assessment

For providers

- The RFI process is a vital way to help us keep current on capabilities; it forms the basis for our database – without participation, it is difficult to effectively match capabilities to buyer inquiries
- In addition, it helps the provider/vendor organization gain brand visibility through being included in our research reports

**Q: What is the process for a provider / technology vendor to leverage its PEAK Matrix positioning?**

A: Providers/vendors can use their PEAK Matrix positioning or Star Performer rating in multiple ways including:

- Issue a press release declaring positioning; see our citation policies
- Purchase a customized PEAK Matrix profile for circulation with clients, prospects, etc. The package includes the profile as well as quotes from Everest Group analysts, which can be used in PR
- Use PEAK Matrix badges for branding across communications (e-mail signatures, marketing brochures, credential packs, client presentations, etc.)

The provider must obtain the requisite licensing and distribution rights for the above activities through an agreement with Everest Group; please contact your CD or contact us

**Q: Does the PEAK Matrix evaluation criteria change over a period of time?**

A: PEAK Matrix assessments are designed to serve enterprises' current and future needs. Given the dynamic nature of the global services market and rampant disruption, the assessment criteria are realigned as and when needed to reflect the current market reality and to serve enterprises' future expectations.

# Stay connected

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